



## PUBLIC EMPLOYEE RETIREMENT SYSTEMS OF IDAHO

607 North 8<sup>th</sup> Street, Boise, Idaho 83702

### MINUTES OF MEETINGS OF RETIREMENT BOARD

The Board of the Public Employee Retirement System of Idaho met in-person at 8:30 a.m., February 22, 2023. The following members were present:

Joy Fisher  
Darin DeAngeli  
Park Price  
Celia Gould

Executive Director Don Drum, Deputy Director Michael Hampton, Deputy Attorney General Cheryl George, Chief Investment Officer Richelle Sugiyama, and Management Assistant Eliza Storms were also in attendance. Chairman Cilek was absent and excused.

In attendance via Zoom were:

Ann O'Bradovich	Callan Associates	Alex Simpson	PERSI
Mike Anderson	PERSI	John Bellows	Western Asset
Frances Coombes	Western Asset	Brad Berls	Eide Bailly
Bill Raver	Staff Advisor	Brandon Fitzpatrick	DB Fitzpatrick

At 8:33 a.m., Vice – Chair Fisher called the meeting to order.

Approval of the Minutes Trustee Price moved to approve the minutes of the January 10<sup>th</sup> and 11<sup>th</sup> meetings. Trustee Gould seconded the motion. The motion passed unanimously.

#### PORTFOLIO

##### Callan Quarterly Report

Ann O'Bradovich reviewed the 4<sup>th</sup> Quarter 2022 Performance Evaluation. Total Fund assets ended the 4<sup>th</sup> Quarter 2022 with \$20.9 billion, a net increase of \$1.3 billion. She reviewed the DB Plan Total Fund Attributions, managers performances, and allocation impacts. Ms. O'Bradovich also provided quarterly reviews for PERSI DC Plan, and PERSI Sick Leave Funds, as well as an Investment Measurements Service review and a Capital Markets review.

##### Monthly Portfolio Update

Chief Investment Officer, Richelle Sugiyama, provided a review of the PERSI portfolio as of February 21, 2023.

Ms. Sugiyama provided an update on the Clearwater data aggregator project and recognized PERSI staff, Adel Stacy and Chris Wester for their contributions to the project.

#### Investment Manager Market Overview

Ms. Sugiyama introduced Frances Coombes and John Bellows with Western Asset.

Ms. Coombes provided a brief statement and handed off to Mr. Bellows.

Mr. Bellows characterized 2022 as the worst year on record for US Treasury Bonds. He stated calculations are improving, indicating that the labor market is tight as wage growth is coming down. Mr. Bellows provided a brief statement on the Fed Policy.

#### Staff Advisor and Manager Comments

The Board opened the floor to the staff advisor and investment managers present for comments. Comments included discussion on a range of topics including risk adjustment, international relations, emerging markets, and inflation.

#### EXECUTIVE DIRECTOR

##### Status

Director Drum informed the Board that Senate Bill 1068 was being withdrawn.

##### Enterprise Risk Management Update

Director Drum and Eide Bailly presented the Board with a Heat Map Review and Observations Draft.

Brad Berls and Scot Phillips with Eide Bailly, discussed their process and results. While they did not identify any substantial weaknesses, they did suggest the Board continue to pay attention to data security and information risk, and resource management.

#### FISCAL

##### Fiscal Update/Travel/Expense Report

Chief Financial Officer, Alex Simpson provided the Fiscal Reports and Fiscal Charts.

##### Quarterly Financial Statement

Chief Financial Officer, Alex Simpson presented financial statements for the first quarter of FY2023.

#### BOARD

March Agenda: The Board reviewed the agenda for the March Board Meeting and requested a follow up with Eide Bailly. The Board asked to move the Milliman Asset Smoothing workshop to be moved to April.

Executive Session: No executive session was held. No decisions were made.

Adjournment: There being no further business to come before the Board, the meeting adjourned at 10:42 a.m.



Donald Drum  
Executive Director

Date

3-24-23



Jeff Cilek  
Chairman

3/21/23

Date